

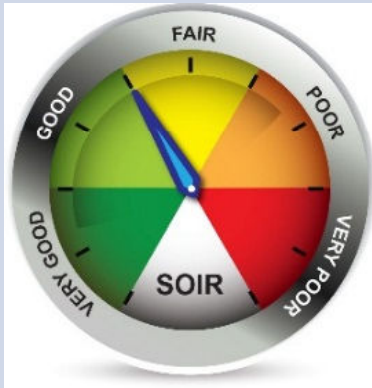


State of Infrastructure Report 2013

Corporate Asset Management

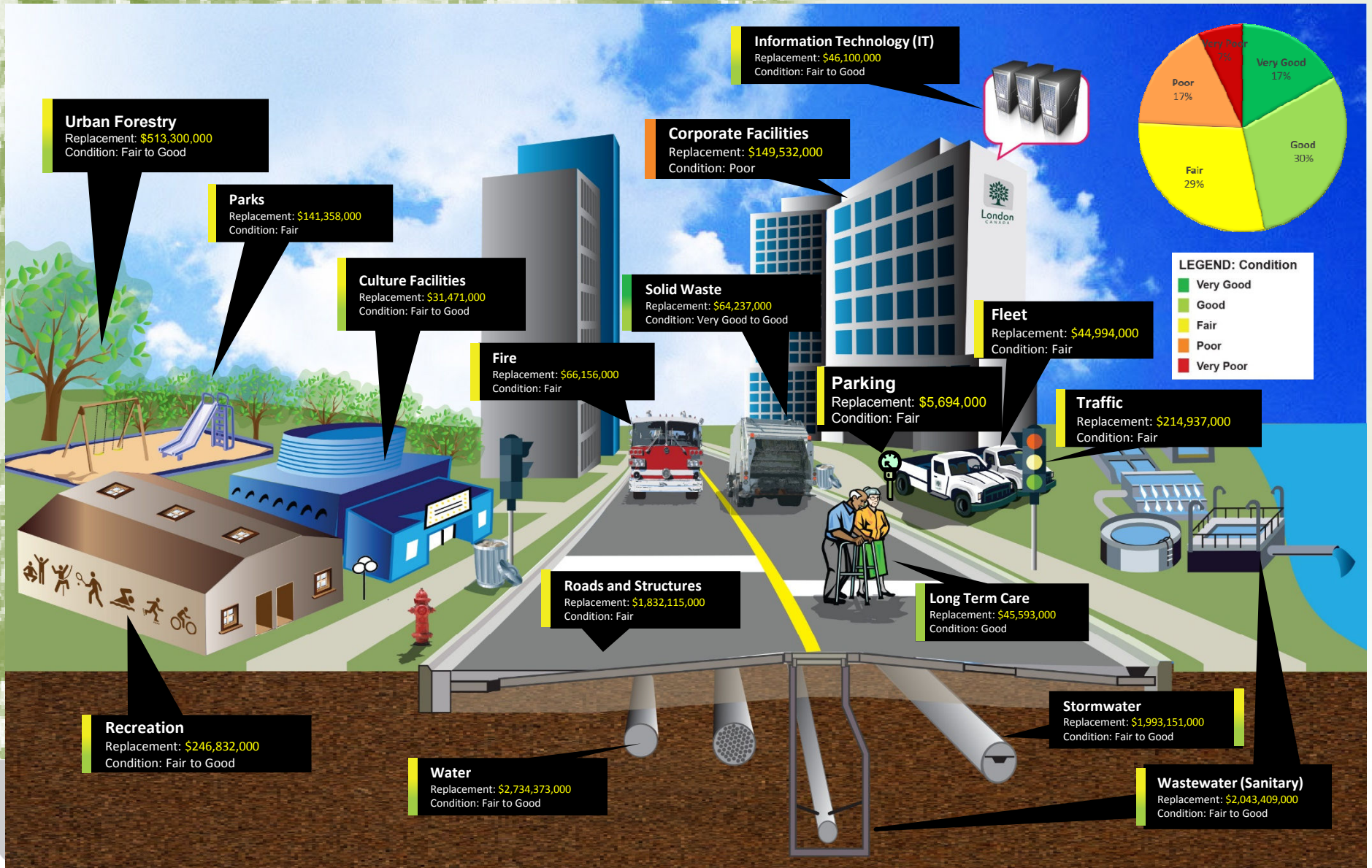


Results

Replacement Value	Current Condition	Infrastructure Gap Current*	Cumulative Infrastructure Gap over 10 Years*
\$ 10.9 Billion		\$ 52.1 Million	\$ 466.1 Million

*** Assumes City continues current funding plans.**

Report Highlights



Introduction

This Report is a building block of the
Corporate Asset Management Program

- Provides a sound understanding of our infrastructure and base investment needs.
- Communicates publicly on the current state of the City's infrastructure essential for the delivery of services.



Purpose

- Identify infrastructure condition
- Identify key needs and funding challenges over the next decade
- Encourage long-term investment planning towards sustainable service delivery



Scope

- This report speaks to existing infrastructure, replacement value, condition and investment requirements to sustain service delivery
- The report does not incorporate Growth and Service Improvement needs
- This report does not consider inflation



Asset Inventory & Valuation

- This initial State of Infrastructure Report relies on the use of best available data from year 2012

Asset Type	Asset	Inventory	Unit	Replacement Value (\$'000's)
COLLECTION	Local Sewers (< 600mm)	1,268	km	\$876,000
	Trunk Sewers (600 - 1200mm)	151	km	\$332,816
	Trunk Sewers (> 1200mm)	11	km	\$50,892
TREATMENT	Wastewater Treatment Plants (Incl. Equipment)	6	Ea.	\$702,232
	Pump Stations (Incl. Equipment)	34	Ea.	\$81,469
TOTAL				\$2,043,409

Asset Condition

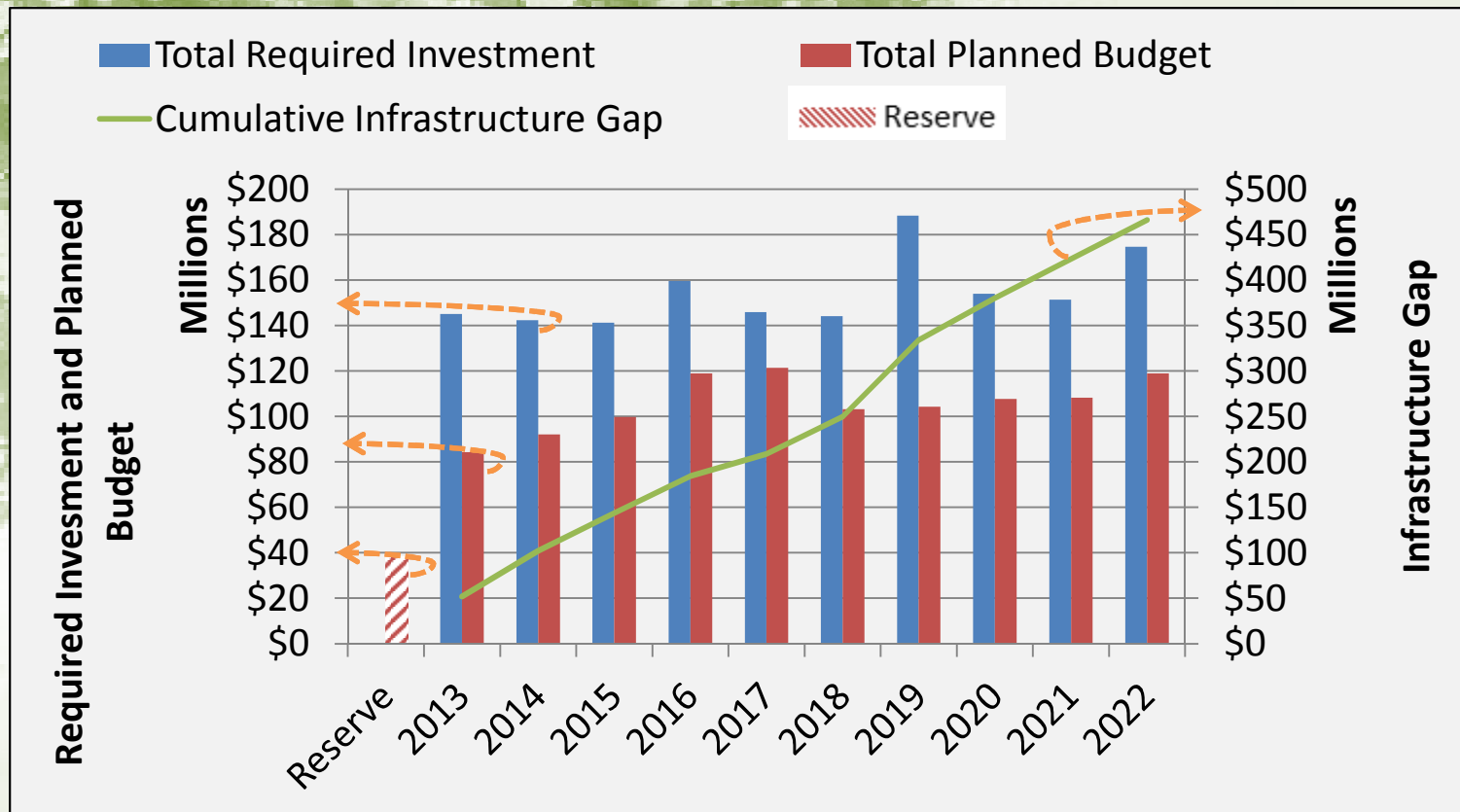
- A five-point rating scale was used to align with that employed by the National Infrastructure Report Card

Grade	Summary	Definition
1	Very Good <i>Fit for the future</i>	The infrastructure in the system or network is generally in very good condition, typically new or recently rehabilitated. A few elements show general signs of deterioration that require attention.
2	Good <i>Adequate for now</i>	The infrastructure in the system or network is in good condition; some elements show general signs of deterioration that require attention. A few elements exhibit significant deficiencies.
3	Fair <i>Requires attention</i>	The infrastructure in the system or network is in fair condition; it shows general signs of deterioration and requires attention. Some elements exhibit significant deficiencies.
4	Poor <i>At risk</i>	The infrastructure in the system or network is in poor condition and mostly below standard, with many elements approaching the end of their service life. A large portion of the system exhibits significant deterioration.
5	Very Poor <i>Unfit for sustained service</i>	The infrastructure in the system or network is in unacceptable condition with widespread signs of advanced deterioration. Many components in the system exhibit signs of imminent failure, which is affecting service.



Financial Analysis

- This chart shows the annual required investments, the planned budget and the resultant infrastructure funding gap over the next decade;
- Total required investment represents the costs to renew and maintain existing assets. This does not account for any costs to improve service, accommodate growth or expand service to new areas or customers.



Report Findings



London
CANADA

What do we own? - Highlights

Asset	Inventory	Unit
Water Main	1,570	Km
Sanitary Sewer	1,430	Km
Wastewater Treatment Plants	6	Ea.
Storm Sewer	1,304	Km
Stormwater Management Pond	75	Ea.
Road	3,717	Lane Km
Bridge	101	Ea.
Sidewalk	1,471	Km
Park Land & Natural Area	2,436	Ha
Pathway & Trail	206	Km
Trees (ROW, Park, Woodlot)	1,026,623	Ea.
Arena	11	Ea.
Aquatic Facility	40	Ea.
Community Centre	13	Ea.
Fire Station	14	Ea.



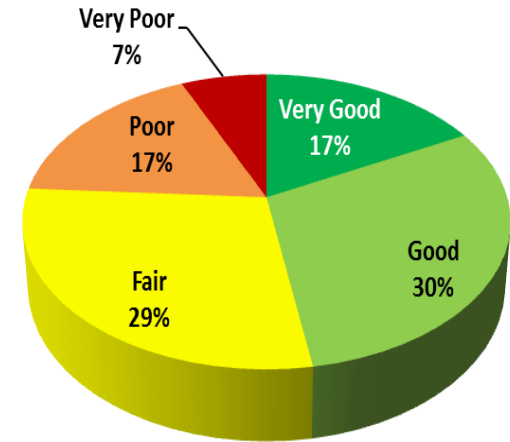
What is it Worth?

Program Area	Service Area	Replacement Value (\$000's)
Water, Wastewater Services	Water	\$2,734,373
	Wastewater - Sanitary	\$2,043,409
	Stormwater	\$1,993,151
Transportation Services	Roads & Structures	\$1,832,115
	Traffic	\$214,937
	Parking	\$5,694
Environmental Services	Solid Waste	\$64,237
Parks, Recreation & Neighbourhood Services	Recreation	\$246,832
	Parks	\$141,358
	Urban Forestry	\$513,300
Protective Services	Fire	\$66,156
Social and Health Services	Long Term Care	\$45,593
Corporate, Operational & Council Services	Corporate Facilities	\$149,532
	Culture Facilities	\$31,471
	Fleet	\$44,994
	Information Technology	\$46,100
	Land	\$751,890
Total		\$10,925,142

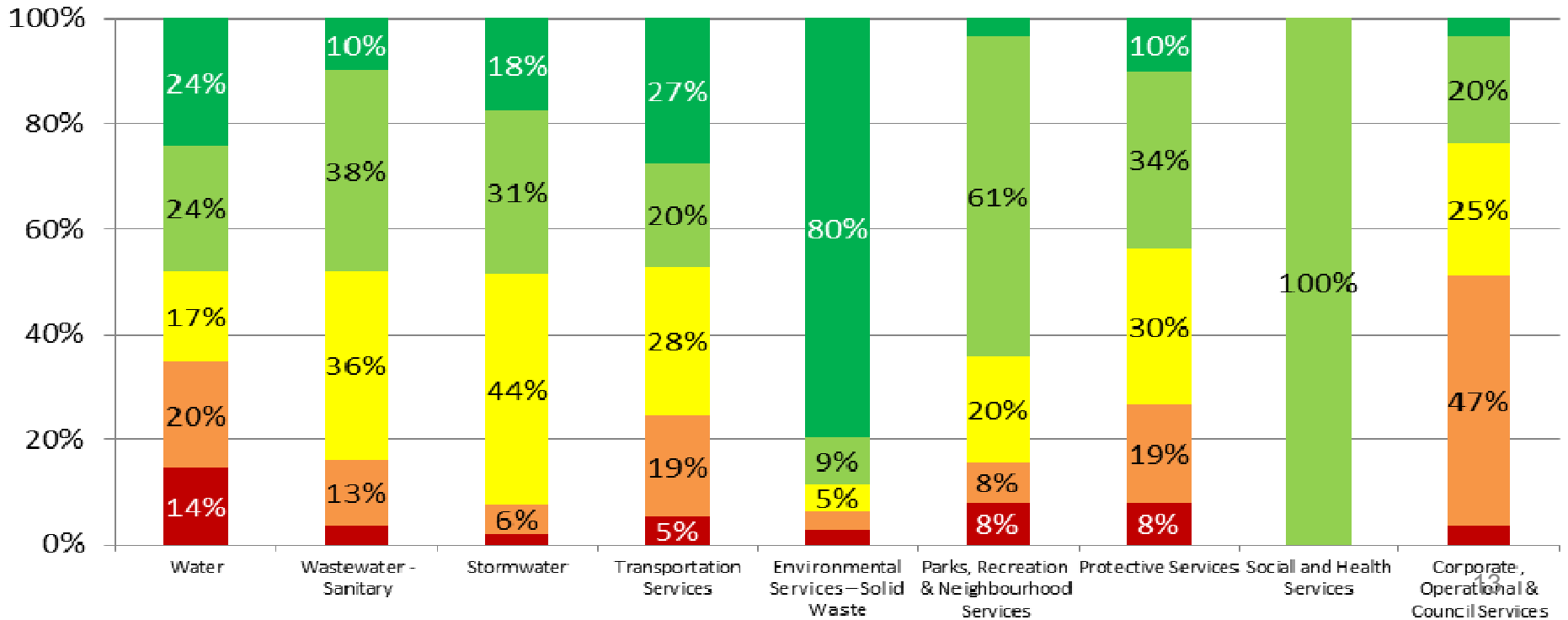


What Condition is it in?

The overall condition of the City's infrastructure is **Fair to Good** condition meaning that the infrastructure is adequate for now with some elements showing general signs of deterioration that require attention and some elements exhibiting significant deficiencies.



Asset Condition by Service Areas

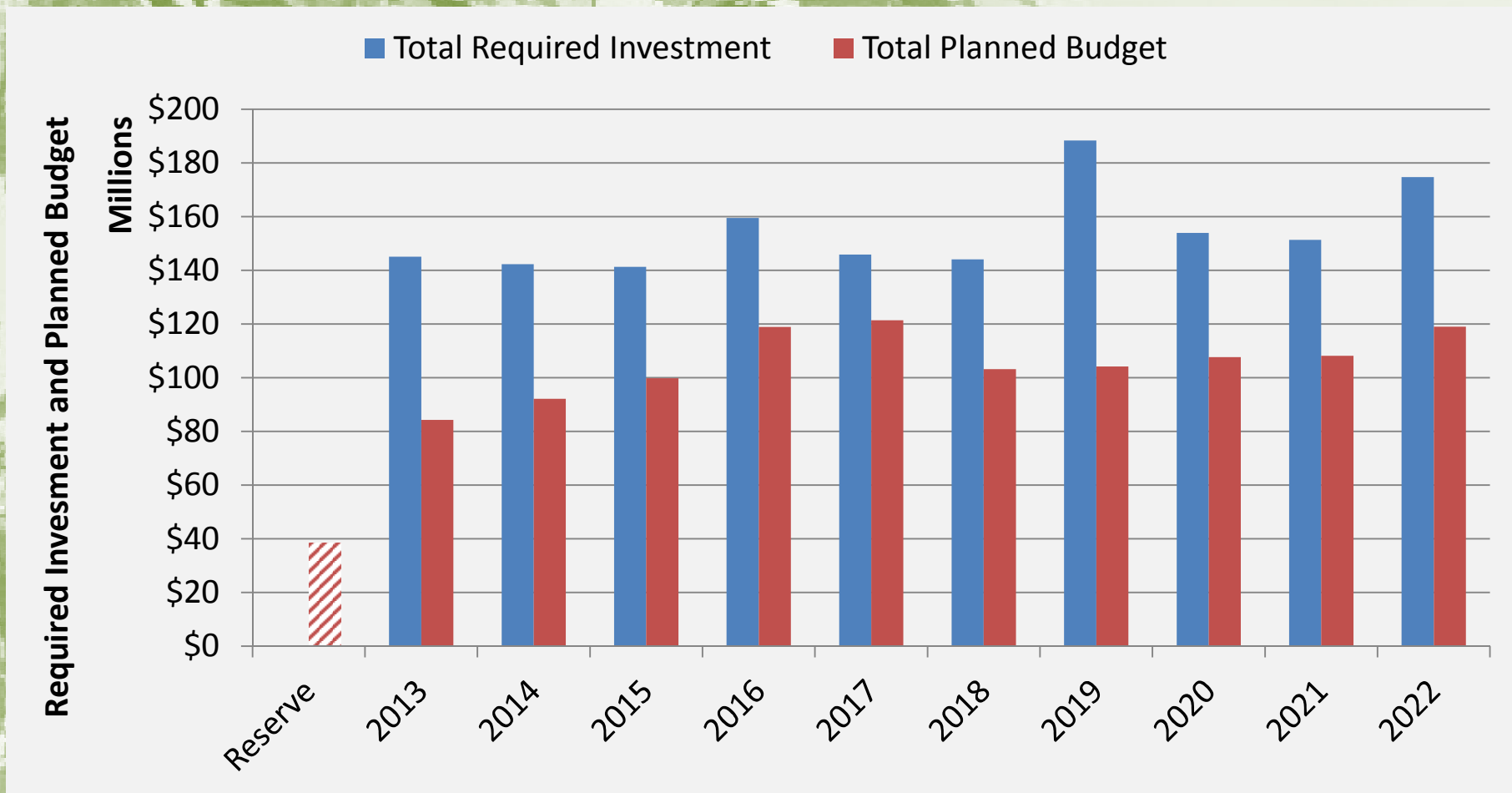


London in Context

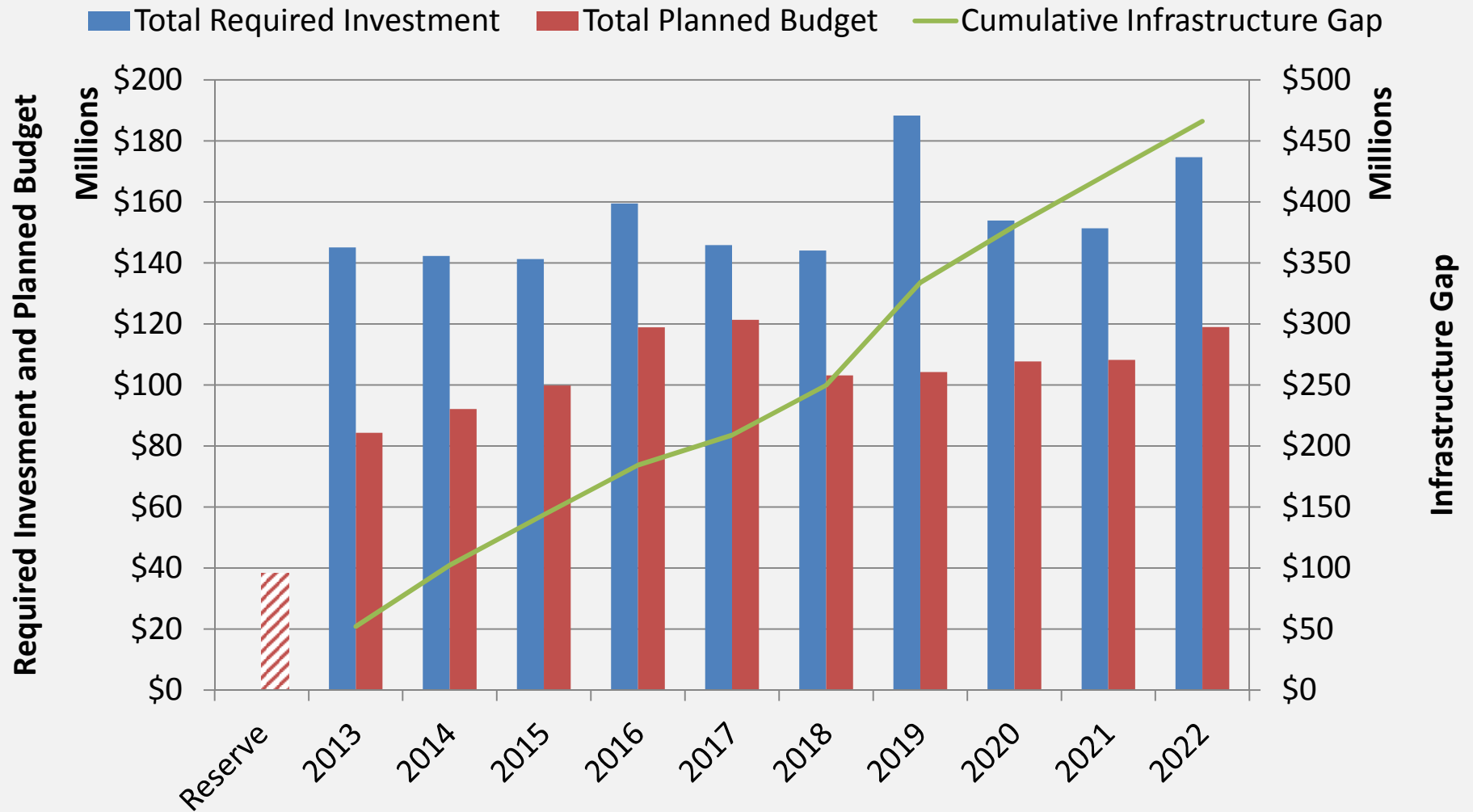
Service Area	2012 Canadian Infrastructure Report Card	2012 London State of Infrastructure Report
Water	Good	Fair to Good
Wastewater - Sanitary	Good	Fair to Good
Stormwater	Very Good	Fair to Good
Roads	Fair	Fair



What do we plan to spend vs. what the assets need?



What is the gap?



Infrastructure Gap Results

**Current
Infrastructure Gap**

\$52.1 Million

**2022 Projected
Infrastructure Gap**

\$466.1 Million

Service Area	Replacement Value (\$millions)	Infrastructure Gap (\$millions)	
		Current	In 10 Yrs
Water	\$2,734	\$1.9	\$37.8
Wastewater (San)	\$2,043	\$0	\$21.8
Stormwater	\$1,993	\$0	\$1.0
Roads & Structures	\$1,832	\$26.7	\$236.1
Traffic	\$215	\$6.9	\$35.5
Parking	\$6	\$0	\$0
Solid Waste	\$64	\$0	\$5.1
Recreation	\$247	\$0	\$7.3
Parks	\$141	\$5.0	\$43.8
Urban Forestry	\$513	\$0.6	\$9.1
Fire	\$66	\$0	\$0
Long Term Care	\$46	\$0	\$2.5
Corporate Facilities	\$150	\$9.6	\$55.2
Culture Facilities	\$31	\$0	\$0
Fleet	\$45	\$0	\$0
IT	\$46	\$1.4	\$10.9
Land	\$752	\$0	\$0
Total	\$10,925	\$52.1	\$466.1

London in Context

Ontario's infrastructure valued at more than \$266 billion

Ontario deficit estimated at more than \$100 billion.

- Mississauga - 10 year gap of \$425 Million**
- Hamilton - Gap of \$195 Million per year;**
- Cambridge- Current gap \$161 Million**
- Windsor- Current Gap >\$386.2 Million**



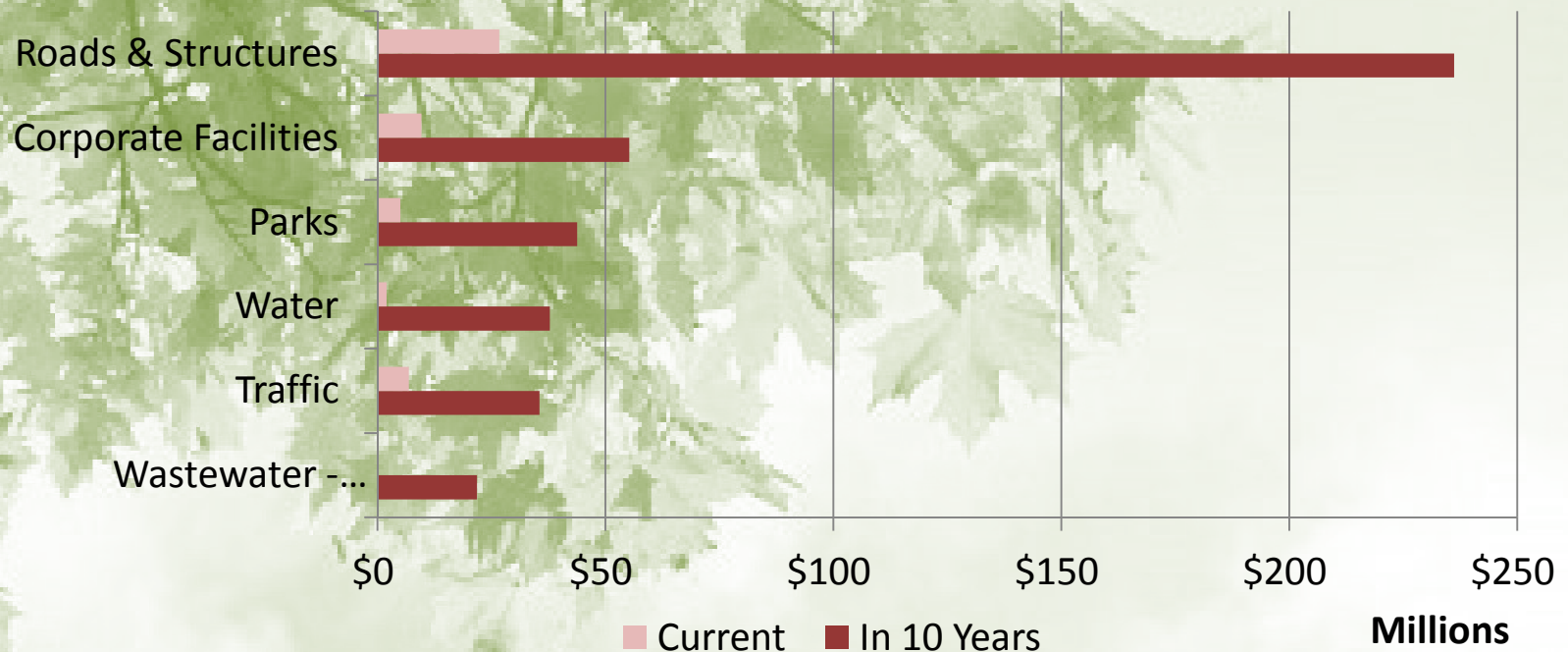
How do we move towards sustainable service delivery?

Category	Gap	Service Areas
Major Gap Contributors	Estimated gap accumulating to over \$20 Million over the next 10 years.	Roads and Structures Corporate Facilities Parks Water Traffic Wastewater (Sanitary)
Minor Gap Contributors	Estimated gap accumulating to between \$5 and \$20 Million over the next 10 years.	IT Urban Forestry Recreation Solid Waste
No Gap Contribution	Estimated gap accumulating to less than an \$5 Million over the next 10 years.	Long Term Care Stormwater Parking Fire Culture Facilities Fleet



Infrastructure Gap Analysis

- The Major contributors comprise approximately 92% (\$430 Million) of the 10 year infrastructure gap.
- The largest service area infrastructure gap is for Roads and Structures at over 50% of the 10 year total.



Managing the Infrastructure Gap

- Examine investment priorities and delivery of services with a view to manage growth of the gap
- Complete the Corporate Asset Management Plan, a new requirement for transfer funding applications made to upper tier governments (underway)
- Develop and implement the Corporate Asset Management Program (underway)
- Engage the public and help lobby upper tier governments for infrastructure funding



Questions & Discussions

